

AGNEW-SURPASS
SHOE STORES
LIMITED

Annual Report
1932

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FOURTH ANNUAL REPORT

TO THE SHAREHOLDERS

for the Fiscal Year ending

May 31st, 1932



BRANTFORD, ONTARIO
CANADA

FOURTH
ANNUAL REPORT OF THE DIRECTORS
of
AGNEW-SURPASS SHOE STORES
LIMITED

BRANTFORD, JULY 6TH, 1932

TO THE SHAREHOLDERS:—

Your Directors submit herewith Consolidated Balance Sheet as of May 31st, 1932 and Profit and Loss and Surplus statement for the year ending on that date of Agnew-Surpass Shoe Stores, Limited and its subsidiaries.

Sales for the year amounted to \$2,375,988.95 (after eliminating sales from factory to store companies), a decrease of fourteen per cent from the previous year, principally due to the reduced prices of finished goods throughout the year. Gross earnings amounted to \$134,494.03, which, after deducting depreciation and provision for federal and provincial income taxes, left a net surplus for the year of \$87,811.76.

Repeated reductions in the value of merchandise and raw materials during the year necessitated much heavier write-offs than usual against operating revenues to keep inventories down to current values; the properties have been maintained in an efficient condition and ample depreciation provided on buildings, plant, fixtures and improvements to leasehold properties.

It was deemed advisable to set up a Fire Insurance Reserve to cover stocks carried in the different stores, and for this purpose the sum of \$25,817.78 has been transferred from Surplus to a Special Fire Insurance Reserve.

Owing to prevailing conditions only two stores were opened and one closed during the year, making a total of fifty-five (55) in operation as of May 31st last.

During the year the outstanding preferred stock of the holding company in the hands of the public has been reduced by \$3,000, notwithstanding which the consolidated working capital position has improved \$40,897.58.

To the departmental officials, store managers and employees are due our thanks and acknowledgment for their loyal support in the very difficult year just concluded.

Agnew-Surpass stores are located in the principal cities and towns of Ontario, Quebec, Nova Scotia and New Brunswick, and we ask your co-operation in directing trade to the store in your vicinity whenever possible, where a complete line of footwear for all occasions is obtainable.

On behalf of the Board,

J. E. WARRINGTON,

President.

AGNEW-SURPASS S

AND SUBSIDI

The John Ritchie Company, I
Surpass Shoe

Consolidated Balance

ASSETS

CURRENT ASSETS:

Cash on Hand and in Banks.....	\$183,900.42
Government, Government Guaranteed and Municipal Bonds, at cost (market value \$118,250.00).....	130,362.50
Accounts and Bills Receivable, Trade.....	\$102,150.96
Advances to Employees against Commissions, etc.....	2,484.65

\$104,635.61

Less Reserve for Bad Debts..... 9,629.75

95,005.86

Merchandise Inventories (as valued by
Management)..... 794,731.09

Prepaid Expenses and Accrued Revenue..... 8,094.65

\$1,212,094.52

LOANS (NET), NOTES AND INSURANCE DEPOSIT..... 35,899.80

FIXED ASSETS: at depreciated values as per appraisal
of Canadian Appraisal Company, Limited,
dated May 18th, 1928, plus subsequent additions
at cost (except for Lasts, Dies and Patterns,
shown at nominal value):

Buildings.....	\$199,548.86
Plant, Machinery, etc.....	94,249.80
Furniture and Fixtures.....	158,868.45
Automobiles.....	3,601.00
Improvements to Leasehold Properties.....	11,762.04

\$468,030.15

Less Reserve for Depreciation..... 114,319.90

\$353,710.25

Land..... 76,020.00

Lasts, Dies and Patterns (at nominal value) ... 33,000.00

462,730.25

PATENTS UNDER LEASE AND PRODUCING REVENUE..... 15,000.00

\$1,725,724.57

Approved:

J. E. WARRINGTON

FRANK BAUSLAUGH

Directors of Agnew-Surpass Shoe Stores, Limited

SHOE STORES, LIMITED

COMPANY COMPANIES

Agnew, Limited, John Agnew, Limited and
Company, Limited

Balance Sheet (as at May 31st, 1932)

LIABILITIES

CURRENT LIABILITIES:

Accounts and Bills Payable.....	\$137,907.62	
Accrued Wages and Expenses.....	22,947.44	
Provision for Government Taxes.....	14,881.67	
Dividend Payable.....	17,173.75	
		\$ 192,910.48

EQUITY OF MINORITY INTERESTS IN SUBSIDIARY COMPANIES: (Shares owned by Directors as qualification).....	2,148.95
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CAPITAL AND SURPLUS:

Capital Stock:

7% Cumulative Convertible Preferred:

Authorized, 15,000 Shares of \$100.00 each
Issued, 10,000 Shares..... 1,000,000.00

Less 255 Shares held by Sub-
sidiary Company..... 25,500.00

\$974,500.00

Common:

Authorized, 135,000 Shares of no par value:
Issued, 80,000 Shares..... \$ 266,456.14

Less 473 Shares held by Sub-
sidiary Company..... 1,575.42

Fire Insurance Reserve..... 264,880.72
25,817.78
Earned Surplus..... 265,466.64

1,530,665.14

\$1,725,724.57

CONTINGENT LIABILITY:

Bills Receivable under Discount \$74,485.00

AUDITORS' CERTIFICATE

We have audited the books of Agnew-Surpass Shoe Stores, Limited, and its subsidiaries for the year ended May 31st, 1932, and hereby certify that, in our opinion, the foregoing Consolidated Balance Sheet correctly sets forth the financial position of the Company and its subsidiaries, as at May 31st, 1932.

THORNE, MULHOLLAND, HOWSON & MCPHERSON,
Chartered Accountants.

CONSOLIDATED PROFIT AND LOSS AND SURPLUS STATEMENT

For the year ended May 31st, 1932



Gross Earnings for year.....	\$134,494.03
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Deduct:

Provision for Depreciation.....	\$31,800.60	
Provision for Government Taxes...	14,881.67	
	46,682.27	

NET SURPLUS FOR YEAR	\$ 87,811.76
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Add:

Surplus brought forward, June 1st, 1931	273,911.10
Sundry Adjustments.....	469.92

	\$362,192.78
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Deduct:

Dividends on Preferred Stock	\$70,000.00	
Less Subsidiary Company's proportion	1,785.00	
	\$68,215.00	
Federal Income Tax Adjustments, prior periods.....	2,693.36	
Transfer to Fire Insurance Reserve	25,817.78	
	96,726.14	

EARNED SURPLUS, MAY 31ST, 1932	\$265,466.64
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EXECUTIVE OFFICERS

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J. ELLIS WARRINGTON

President

FRANK BAUSLAUGH

Vice-President and General Manager

K. R. GILLELAN

Secretary-Treasurer

H. H. GIBAUT

Assistant Secretary-Treasurer



BOARD OF DIRECTORS

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M. JOHN SHEEHY

RUSSELL D. BELL

JOHN BAUSLAUGH

J. ELLIS WARRINGTON

HAROLD A. GREENE

FRANK BAUSLAUGH

AGNEW-SURPASS SHOE STORES

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ONTARIO

BELLEVILLE	LEAMINGTON	SARNIA
BRANTFORD	LINDSAY	SAULT ST. MARIE
166 Colborne	LONDON	SIMCOE
16 Market	MIDLAND	STRATFORD
BROCKVILLE	NAPANEE	SUDBURY
CHATHAM	NIAGARA FALLS	ST. CATHARINES
CORNWALL	NORWICH	ST. THOMAS
GALT	NORTH BAY	TORONTO
GUELPH	OTTAWA	106 Yonge
HAMILTON	ORILLIA	952 Bloor, W.
177 King, E.	OSHAWA	2948 Dundas, W.
13 Market Sq.	OWEN SOUND	WALLACEBURG
376 Ottawa, N.	PARIS	WELLAND
INGERSOLL	PETERBORO	WINDSOR
KINGSTON		WOODSTOCK
KITCHENER		

QUEBEC

MONTREAL	QUEBEC
1111 St. Catherine, W.	10 St. John
6869 St. Hubert	251½ St. Joseph

NEW BRUNSWICK

FREDERICTON
 MONCTON
 ST. JOHN
 61 King
 212 Union
 677 Main

NOVA SCOTIA

NEW GLASGOW
 TRURO
 WINDSOR
 YARMOUTH

Canada's Greatest Chain Shoe Stores

